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7 November 58

THRU: Chief, D/S
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US Army Draft of NIS 39A, Section 63-F

An examination of the draft reveals that it is not in full compliance with the NIS Instructions for Section 63-F, Construction Materials. In addition, it would be virtually impossible to prepare a satisfactory A, General, section on the basis of the information contained in this report. The NIS Instructions for the analysis of a construction materials industry is as follows:

"Examine the importance in the economy of the industry producing these materials and indicate its capacity to meet domestic requirements. Examine the size of the industry in terms of production, capital investment and in relation to markets. Discuss production trends including technological advances. Indicate problems confronting the industry with respect to raw materials, location, domestic and foreign contracts, and government policies and contracts. (Tables: production and consumption including use patterns where possible, imports and exports by countries of origin and destination, stocks, etc)" NIS Instructions, Chapter 6, page 13. B.

The draft discusses the cement industry in the following manner: (1) Background and Development, (2) Production Capacity, (3) Important Cement Plants, (4) Foreign Trade, and (5) Cement Products. At no time does this draft discuss the production of cement in the 1950-57 period and the manner in which it was achieved; the importance of the cement industry in the economy; or its ability to meet domestic requirements. One table, number 63-F, Cement Production and Estimated Capacity, 1948-62, is the only indication of cement production included in this draft. Low strength cement production is briefly mentioned but no discussion of the quality or types of cement produced is given. An analysis of a cement industry should include a discussion of the types and quality of cement produced. This is especially true of an NIS contribution as this type of information would be most significant in planning for military construction. In addition, the higher the quality of the cement produced the smaller the amount required to produce a given grade of concrete.

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SUBJECT: US Army Draft of NIS 39A, Section 63-F

No figures are given on the export or import of cement. Published open source information, generally accepted by the intelligence community, is available which will give both the tonnage and the value of cement exported to the USSR in 1956 and 1957, and individual CS reports will give indications of the volume of shipment to south-east Asia.

It is recommended that this draft be rewritten using the additional data available, and reorganized to comply more closely with the NIS instructions.

This branch will cooperate with the responsible analyst and indicate the data which should be included and recommend a possible organization of this data so as to more nearly comply with the NIS instructions.

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